

JUL 29 1926

LIBRARY

THE CREDIT WORLD

The Official Organ of the
**RETAIL CREDIT MEN'S
NATIONAL ASSOCIATION**
Incorporated

LOS Angeles is ready ---
the stage is set for our
Fourteenth Annual Convention
August-10-11-12-13.

This will be the best Conven-
tion in the history of this
Association. Every member is
invited- every member should
attend. You can't afford to miss
this—register now!

*Los Angeles—Convention City
—Welcomes You*

VOLUME XIV
NUMBER XI



JULY
1926

*In This Issue—Complete Program
of the Los Angeles Convention*

Keeping Your Promise!

KEEPING one's credit good means to promises good—for all credit is based made and accepted in good faith. Pay according to your promises—that's the basis of credit.

Keep your credit record clear! Protect it and it will protect you!

Retail Credit Men's National Association
EXECUTIVE OFFICES 11 11 SAINT LOUIS

You Are Judged by Your Credit

YOUR credit record as shown on the books of your creditors, has a far-reaching effect on your life and affairs—it is the measuring line by which many people (and all prospective creditors) judge you.

Keep that record clear and it will help you in countless ways—in social and business life—in times of necessity and emergency.

Retail Credit Men's National Association
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Keep Your Credit Record Clear!

EVERY time you open a new account—every time you secure credit from any source, you have another opportunity to strengthen your reputation for prompt payment—to make your credit foundation secure.

Keep your credit record clear! Protect your credit and it will protect you!

Retail Credit Men's National Association
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Credit-Education Inserts

To the Tune of Two Million

During the past two years our members have used over two million of these Credit-Education Inserts, paving the way to a better understanding of credit. You, too, Mr. Credit Grantor, will find them most effective in changing your "slow-pays" into prompt paying customers.

Twelve in the series—one for every month in the year. Enclose one with every "past due" statement—with every collection letter. Attractively printed in two colors. Diplomatically worded—even your most "touchy" customer can't take offense.

Order any combination you like

\$2.00 per thousand for single inserts

\$24.00 per thousand sets of twelve

Order from the National Office

Protecting Your Credit

NO ONE can protect your credit but you—no one else can destroy it, for, always, your credit is what you make it. Your credit is one of your greatest assets—it deserves your highest protection.

Keep your credit record clear! Protect your credit and it will protect you!

Retail Credit Men's National Association
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Let Your Creditor Know!

WHEN you can't pay a bill on time, an explanation of your inability will go a long way towards protecting your credit. Your creditor wants to help you keep your credit good—help him to help you!

Keep your credit record clear! Protect your credit and it will protect you!

Retail Credit Men's National Association
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The Cash Value of Credit

"A GOOD NAME," said Solomon, "is rather to be preferred to a bank account." A good credit record is good in never "breaks"—the credit record clear! Protect your credit and it will protect you!

Retail Credit Men's National Association
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Good Credit Is An Asset!

A WELL-KEPT charge account is a convenient asset that grows with use. It does away with the inconvenience of carrying about large sums of money when shopping. It gives you from ten to fifteen per cent of service at all times.

Keep your credit record clear! Protect your credit and it will protect you!

Retail Credit Men's National Association
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Credit Inspires Confidence

A CLEAR credit record inspires confidence in yourself—in your ability to do things—in the confidence of others! Keep your credit record clear and you can face the world with the confidence of achievement.

Keep your credit record clear! Protect your credit and it will protect you!

Retail Credit Men's National Association
EXECUTIVE OFFICES 11 11 SAINT LOUIS

Pay Promptly and Succeed!

PROMPT payment of bills is one of the cornerstones of success and a good credit record is the passport to financial independence. Make your credit record a "credit" to you—use it as a stepping-stone to bigger things.

Keep your credit record clear! Protect your credit and it will protect you!

Retail Credit Men's National Association
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Your Credit Record Follows You!

KEEP your credit record good and you'll always find credit when and where you need it. Move to new points, travel in strange places and your credit follows you—for good credit is home means good credit.

Keep your credit record clear. Protect your credit and it will protect you!

Retail Credit Men's National Association
EXECUTIVE OFFICES 11 11 SAINT LOUIS

Faith—The Basis of Credit

FAITH in people—in their integrity—their purpose—is the basis upon which all credit is based. A high credit rating is based, not so much on one person's word as on the respect the faith repays.

Keep your credit record clear! Protect your credit and it will protect you!

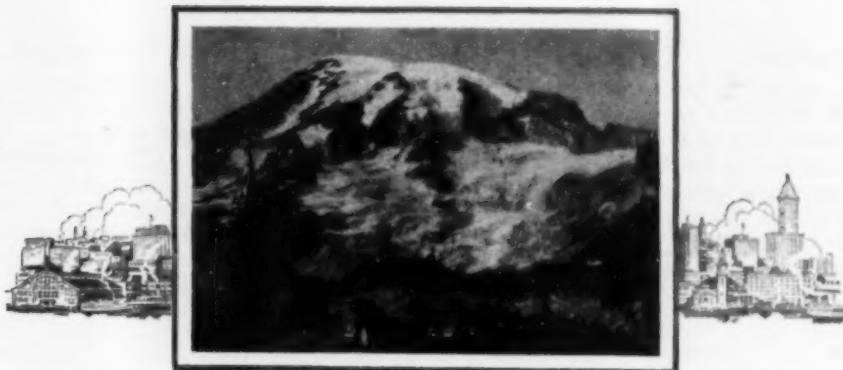
Retail Credit Men's National Association
EXECUTIVE OFFICES 11 11 SAINT LOUIS

How Credit is Established

GOOD intentions, valuable as they are, cannot build credit. Only by religiously living up to every agreement, discharging every obligation when due, is credit established. And only in that way can it be maintained.

Keep your credit record clear! Protect your credit and it will protect you!

Retail Credit Men's National Association
EXECUTIVE OFFICES 11 11 SAINT LOUIS



Include Seattle --

And The Pacific Northwest

In Your Western Itinerary

WHEN YOU BUY your ticket to the National Convention of Credit Men at Los Angeles, tell your ticket agent you want to see all the Pacific Coast and to route you one way via "Seattle and the Charmed Land." No trip on this continent has the interest, variety, and scenic recreational and climatic advantages found along the Pacific Coast and the climax will come in the remarkable Puget Sound country around Seattle and Tacoma. You can travel between Seattle and Los Angeles by splendid coastwise steamer (Admiral Line) or by train.

THE CREDIT MEN OF SEATTLE invite you to come and share our Summer joys and blessings; our cool, delightful days and cool, refreshing nights; to golf, and motor, and swim, and climb mountains and yacht with us.

COME REBUILD yourself physically, mentally and spiritually, in this cool, green, scenic wonderland and this vitalizing air with the tang of the sea, the ozone of the mountains and the balsam of the evergreen forests.

COME FEAST your soul on vast snow-capped peaks like Rainier, or Adams, or St. Helens, or Baker; shimmering mountain lakes, like Chelan, Ketchikan, or Crescent;

rushing streams, tumbling waterfalls. Enjoy the sea archipelago of the San Juan Island country in Puget Sound, the most wonderful inland sea in all the world. Catch the romance of Seattle, one of America's great Western cities, nearest American port to China, Japan, The Philippines and Alaska.

WE'VE ONLY SKETCHED the high spots, the realization will be better than we have promised. Write today for literature which will outline things for you to see and do. But first of all instruct your ticket agent to route you one way at least via Seattle.



Associated Retail Credit Managers of Seattle,
c/o Seattle Chamber of Commerce Building,
SEATTLE, WASH.

Check the literature you desire.

- () Alaska
- () Mount Rainier
- () Seattle and Charmed Land
- () Boat Sailings, Los Angeles, For Seattle.

Name

Street

City State

The Secretary's Page

All Aboard!

This is the last issue of the CREDIT WORLD before our National Convention meets at Los Angeles, August 10-13. All is in readiness for the big meeting. The stage is set, committees appointed, program completed and our Los Angeles brothers have the red fire and brass bands waiting for the first delegation to arrive!

• • • • •

This will be a great Convention. Hundreds of Western members who have never attended a Convention will be on hand with the "old guard" from the East who always attend. Intensive educational features will be in order during Convention hours and sight-seeing and pleasure between sessions. Nothing looking toward the comfort, convenience and pleasure of the visitors has been omitted by the Los Angeles Association and every one attending, whether delegate, member or guest, will have a wonderful time.

• • • • •

Those who have delayed making reservations should immediately write the National Office or the Retail Credit Men's Association of Los Angeles so as to help lighten the burden of the Hotel and Registration Committees.

Your attention is called to the fact that Summer Tourist Rates are much lower than "Special Rates" secured for former Conventions, and we urge you to include the members of your family in your party. The privilege of attending Convention sessions and all entertainment features is granted to all visitors.

• • • • •

There is a big surprise in store for those who have attended other Conventions and thought Minneapolis, New York, Cleveland, Houston and Detroit had reached the limit. The citizens of Los Angeles never do things half-way. They go the limit in hospitality and good fellowship and our Convention will be no exception.

• • • • •

A special section in the Convention hall has been reserved for screen stars from Hollywood and we will have with us in real life, those whom we admire and applaud as actors in the motion picture world.

The distance permits of ideal arrangements for Special Trains. The St. Louis Special is the most important,

leaving St. Louis on August 4, with eight sleepers. At Kansas City the Memphis delegation will join with three sleepers and Birmingham and Atlanta with two more will join at Newton, Kansas. The Oklahoma delegation with two sleepers will complete the party.

The Omaha Special leaving Omaha, August 5, with four sleepers will be joined by Minneapolis and St. Paul, Lincoln, Denver, Salt Lake City, etc.

Reservations can still be made for these trains by wiring the National Office.

An Innovation

The Furniture Group of our National Convention will hold its Conference in the beautiful new store of Barker Brothers in Los Angeles instead of in the hotel as in former years.

This is a new feature and the success of this Group Meeting will be watched by other groups in considering future arrangements. National Director L. M. Crosthwaite, who is Credit Manager of Barker Brothers, will be Chairman of the Furniture Group.

Do It Now

Members who expect to attend our National Convention should make hotel reservations at once.

Members who cannot attend and want their votes counted on any matter on which a ballot is taken, should give their proxies to someone who is going.

Members who desire changes in our By-Laws or have suggestions to offer should write us at once.

Address: Retail Credit Men's National Association, Equitable Bldg., St. Louis, Mo.

Oklahoma City Delegates to Publish "The Snoozer"

It is rumored that the aggressive delegation from Oklahoma City to our National Convention, will again publish that snappy Convention "scandal sheet" known as "The Snoozer."

This publication makes its appearance only at National Conventions and is much enjoyed because of the "inside information" it gives regarding the movements and actions of those attending the Convention. The Oklahoma delegates will join the St. Louis Special and have with them a complete printing plant, so "The Snoozer" will appear "en route."

Group Conferences

On Wednesday, August 11, our Convention will be divided into Group Conferences.

Each member will have the privilege of attending any of the following Groups and the opportunity to take part in an intimate discussion of matters pertaining to the particular business of the Group.

Department Stores,
Public Utilities,
Auto & Accessories,
Furniture,
Men's Clothing,
Boots & Shoes,
Women's Specialties,
Finance & Banking,
Jewelry.

National Vice-President L. L. Meyer of Houston is General Chairman with M. Hart Dasteel of San Francisco as Vice-Chairman and each group has its own Chairman. Meetings are sure to be interesting as each Group Chairman has arranged a special program of interesting discussions for his group.

Every member attending the Convention should indicate, *when he registers*, which group he wishes to attend and be on hand at the meeting place which will be announced at the opening of the Convention.

These Group Meetings have become very popular during our past Conventions because of the opportunity for intimate contacts with those engaged in similar lines.

DON'T MISS THE GROUP CONFERENCES.

Last call for the Los Angeles Convention, August 10-11-12-13. Wire reservations now.

Warning!

A party representing himself as C. T. Worthington, a salesman for the United Creditors Association of Los Angeles, has been visiting various cities on the Pacific Coast claiming to be a member of the Retail Credit Men's National Association and a close personal friend of D. J. Woodlock, Managing Director.

This party is reported to have left many unpaid bills and all members are warned that he has no connection with our Association and is *not known to Mr. Woodlock*.

If apprehended, please wire National Office.

(Additional Items on Page 4)



THE CREDIT WORLD

Official Organ of the



RETAIL CREDIT MEN'S NATIONAL ASSOCIATION

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DAVID J. WOODLOCK, *Editor*

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EDITORIAL

Developing a Keen Business Sense

WE often hear the expression, "he has a keen business sense," applied to successful men and it appeals to me as something which it should be possible to say of every retail credit manager.

After all, the most successful credit grantor is the one with good business judgment. We spend hours of time, pounds of printers' ink, and tons of effort in tabulating the qualifications of a real credit manager—we compile an amazing array of figures based upon statistics regarding percentages of loss and collections, all of which are very valuable as material for the well informed mind—but actual experience shows the most successful credit grantor is not the one who extends credit upon a set rule or worries about holding losses to a standardized minimum.

Outstanding successes as credit managers are those who, through years of training, have developed "a keen business sense." They are able to analyze their problems as applied to their particular businesses and the trade they serve. They have a knowledge of human nature and the backbone to apply that knowledge.

In knowledge there is strength and an enlightened mind is necessary to successful credit granting and the development of "a keen business sense." The credit manager of today must be elastic enough to fit himself to his environment and meet conditions as he finds them, re-

gardless of precedents. A round peg will not fill a square hole nor a small man remain long in a large business but, on the other hand, a credit man with proper knowledge can make a small business large.

How can we acquire this knowledge and develop a "keen business sense?"

Only by absorbing the thoughts of others. Experience is a good teacher, but learning through experience is a slow and expensive process; next to personal experience comes personal contact with those who have had experience. This can only be obtained through organization and that is why the Retail Credit Men's National Association is today the greatest force for the development of credit managers. Through its nationally circulated magazine, the meetings of its local associations and its State and Regional Conferences, it has done more than any other medium to promote good credits and build efficient credit managers.

Each member should be proud of his affiliation and, realizing that each new member means greater development, do all in his power to induce others to join; he should realize that the passive member learns nothing and gets nothing and therefore he should attend every meeting of his local and become a factor in its activities, knowing that he is helping himself by helping others.

David J. Woodlock

The Secretary's Page

(Continued from Page 2)

Attention Members

Over one hundred reports regarding unreliable collection agencies have been received at your National Office during the past fifteen days. We had hoped our members would heed our repeated warnings regarding the thousand-and-one worthless collection agencies masquerading under the names of Credit Associations, usually featuring the word National in their official title.

To offset the work of these people, your National Association has installed a Collection Forwarding Department where you can send your claims and be assured of reliable service at no greater expense than you incur taking chances with unknown agencies.

For those who desire a letter system far superior to any published by private concerns, we supply our 4-Point Collection System at a price of \$10.00, *with the backing of the Association*, something you can not get from any private concern.

It's time to wake up and use the service you are guaranteed as a member of the R. C. M. N. A. Look with suspicion upon all collection agencies and collection book sellers who are not affiliated with *your* Association.

The 1927 Convention

There promises to be a lively fight for the 1927 Convention!

St. Louis, Chicago, Providence, Washington, D. C., and Chattanooga have already thrown their hats in the ring in friendly rivalry for the honor.

Do We Magnify Credit Losses?

Most merchants complain bitterly when credit losses amount to $\frac{1}{4}$ or $\frac{1}{2}$ of 1% and are inclined to lay the blame for decreased profits upon the credit manager.

Here are a few figures regarding merchandise losses from the Harvard Bureau of Business Research. For 140 stores having a sales volume of more than \$1,000,000 a year and totaling more than \$750,000,000 sales volume, mark-downs amounted to \$53,000,000 or 7% of the entire sales volume. Smaller stores were even less fortunate, having a mark-down figure of 7.3 per cent, while specialty shops loom up with a 10% mark-down figure!

Fourteenth Annual Convention, Los Angeles, August 10-11-12-13. Make your reservations now.



View of San Francisco's Impressive Sky Line

San Francisco

**Opens Wide Its Golden Gate of Welcome
To
Retail Credit Men Attending National Convention**

On your way to Los Angeles to attend the National Convention—or on your return—you are cordially invited—nay, you are urged—to stop, if only for a day, and get acquainted with this city by the Golden Gate.

Special preparations are being made to entertain you.

*Full information and printed itinerary, outlining our program
for your entertainment, will be distributed at the
National Convention*

**Associated Retail Credit Men
of San Francisco
Retailers Credit Association**

510 Golden Gate Bldg.

San Francisco



THE CREDIT WORLD

July, 1926



How the Saint Louis Credit Bureau Serves Its Subscribers

By A. J. Kruse

Manager, Associated Retail Credit Men and Credit Bureau, Saint Louis

If Diogenes were, by chance, to seek the best people in Saint Louis he would find hundreds of thousands of them, as the voluminous records of The Associated Retail Credit Men and Credit Bureau would testify. The availability of this mass information gives confidence to the merchant who realizes that an ever-increasing percentage of business in the retail field is being done each year on credit.

In a recent article published in *Greater Saint Louis* the editor took occasion to pay tribute to The Associated Retail Credit Men of Saint Louis and their Credit Bureau, by saying:

"The Credit Bureau, run on a co-operative basis, has done much to cut down credit losses."

He also remarked that an unusual asset upon the citizenry of a community may be had by going through the files of that community's credit bureau.

The value of a bureau to a community can be easily measured by the kind of service it renders. We in Saint Louis have constantly kept to the fore the idea that what the credit grantor wanted was proper information—information that would assist him in intelligently passing on the credit of the applicant and enable him, in the development of the account, to act as a business builder (separating the profitable from the unprofitable customers) and thereby become a unit of greater value to his establishment.

We speak of proper information. Defined, it consists of complete information, depending on the nature of the inquiry. For instance, in the case of a trade inquiry we find that proper information consists of: How long selling; highest amount of credit; paying habits (as 30, 60, 90 days); if owing, what due amount and since when; returned merchandise record; restrictions

on the account as to who is authorized to buy, etc.

The generalization of trade data as, "pays satisfactorily," etc., is not in keeping

sire to increase our efficiency in handling the large and ever-increasing volume of business passing through our office and recently we have been favored with the close co-operation of the Bell Telephone Company in the installing of what is termed a "turret system" or Information Board, each board being so arranged that four operators can handle, with greatly increased speed, an increasing volume of business. A duplicate system is now being installed to handle our revision work and it goes without saying that we are highly pleased with the increased efficiency this new method has brought about. The cost is negligible compared to the service rendered.



The Turret—Information calls placed in turret by switchboard operator

ing with the requirements of the credit executive or with membership in our National Association.

There is another form of report, termed antecedent report, which in addition to a complete review of the trade experience, contains a complete history of the applicant. This includes such information as:

- Place of employment
- Length of service
- Previous employment
- Former residence
- Earnings
- Names of others in household, their employment, earnings, etc.
- Real estate
- Banking connections
- Investments
- Record of litigation
- General comment from employer, banks and other sources.

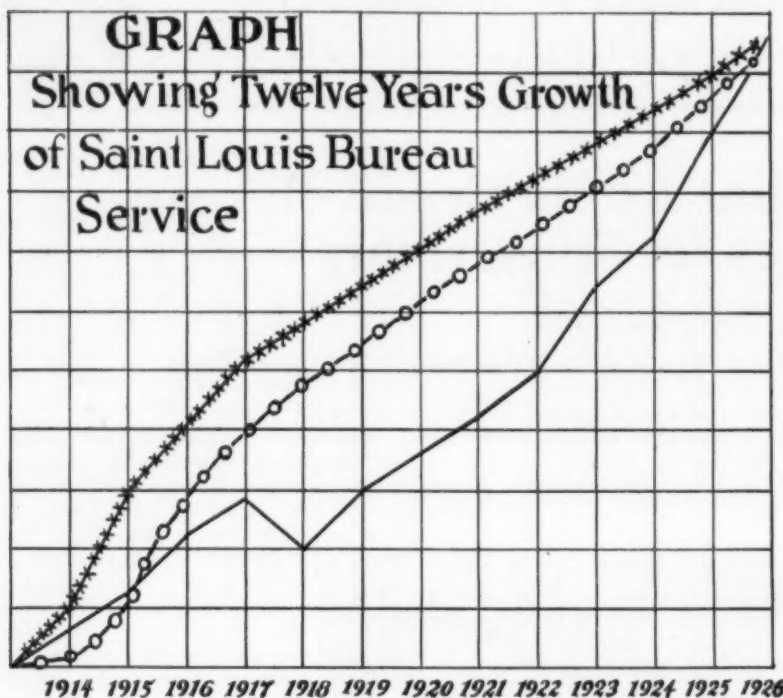
The more complete the report the more intelligently can the credit executive handle the various problems that confront him in his dealings with the customer.

It has always been our constant de-

Another avenue of service to the merchant is the establishment of a series of collection letters and a collection department. These two activities of the Saint Louis organization have resulted in the adjustment of countless accounts and a saving of much money to the retailers. A special notice of derogatory information, a protection service covering the accounts already on the retail ledgers is, we find, another means of furnishing to the credit manager, items of value that will assist him greatly in the handling of his accounts.

In writing this article for the *CREDIT WORLD*, I would draw the credit man's particular attention to the following observations: The closer checking of credits has brought about a more satisfactory credit condition and the more punctilious payment of accounts. People are becoming more careful about how they take care of their obligations. There is a substantial citizenry in every community, constituting a large percentage of the people granted credit, who send in their checks promptly upon receipt of a statement.

And yet—there is a very noticeable percentage of the applicants for credit



1914 1915 1916 1917 1918 1919 1920 1921 1922 1923 1924 1925 1926

———— Inquiries 1915 (41,821) - 1925 - (117,740)
 ***** Credit master cards - over 1,000,000. June 1926
 -o-o-o- Membership June 1926 - 775
(Each year has shown a steady increase)

constituting the unprofitable element—the element that costs the merchant as much (if not more) to sell than his profits on the sales amount to.

I refer to the slow payers.

Recently, in using the queries received in one day on persons whose names began with the letter "M", as typical of the ratings of those upon whom queries are received I found that out of twenty-nine inquiries—eighteen were rated as "A", indicating they are paying in thirty days—four were rated as "B", taking ninety days to pay—and seven were "C" and over, taking four months and longer and too slow for credit. Some of these latter ones, however, could be depended upon to pay eventually.

It is found that those credit men who make an intelligent use of their Bureau's service in checking all applicants for accounts (from time to time re-checking the slow accounts) measure up the best in the credit profession. Their collections are better and losses smaller.

Another thought: New people are arriving constantly and the securing of the out-of-town record is a safeguard that will prevent many a bad loss.

The development of our National Service Division has been a source of great pride and delight to us in Saint

Louis as it will be remembered that it was during the administration of ex-President W. T. Snider of this City that the consolidation was actually brought about. We here, feel that no activity of our National Association is

of greater value to the merchants of the country. Should we not, therefore, give it of our best and build wisely and strong?

It was the late President Roosevelt who said: "Every man owes some of his time to the upbuilding of the profession to which he belongs."

Saint Louis is glad of the privilege of having had a share in the development not only of the Service Division, but of the entire National structure. During the years Saint Louis has given of its best, not only in time and money, but of its men, we have always urged complete co-operation with the National organization and the enrollment of every credit man and woman in the United States as a member.

We still preach this policy, and would put behind Secretary Woodlock as great a force as possible for the upbuilding of retail credits.

Try This at Local Meetings

One of our progressive local associations inaugurated a plan of reading into the minutes of each meeting a list of all accounts charged to P & L. Within four months the amount of such accounts was \$25,491.43, representing 720 separate accounts or an average of \$35.40 each account.

These are interesting figures and we urge all local associations to follow this plan and send the results to the National Office, so we can compile statistics for the benefit of all.



Lafayette Park, Los Angeles

Credit as a Business Builder

By O. B. Pratt, President, Credit Reporting Co., Colorado Springs, Colo.

An Address before the State Convention of Grocers and Butchers of Colorado, June 27, 1926

When Mr. Jones asked me to speak on this subject, he said he needed someone to talk that didn't know much about the subject, so he selected me. I was in the same position as was the farmer who bragged to his neighbor about the speedy bull he had. "Why, do you know," he said, "there's a railroad runs for a mile right alongside my pasture, and every morning that bull races the train, and beats it by five minutes."

The neighbors, hoping to catch him in a falsehood, decided to visit him the next day and watch the procedure. The farmer, seeing them coming, hastily got on his horse and rode away, leaving the explaining of his absence to a negro servant. The neighbors arrived and asked the negro where his master was. "Oh, he done took a little trip. He went from here to N'York, then down to N'Orleans, then over to Los Angeles, then back to Salt Lake and Denver, then he's comin' home." "Oh, so he expects to be gone all summer?" inquired a neighbor. "Oh, no, sah," answered the darkey, "he'll be back this afternoon. You see, he rode that bull."

We heard a great deal the past year or two about the chain store, and the keen competition of the cash and carry system. There is no question but what that method of merchandising has interfered seriously with the business of the individual retail merchant. However, it seems to me that sometimes we give too much attention to what the other fellow is doing, and do not pay enough attention to our own business. That, undoubtedly, is a trait of human nature, and is not by any means confined to the retail trade.

A bunch of figures and statistics are not interesting to you, and you do not care, probably, to hear all about the conditions in the United States relative to the cash and carry store; however, a few figures relative to that activity in our own state ought to be interesting, and for that reason I want to call your attention to some very important facts.

Do you know that in the State of Colorado, less than 7% of the total grocery business handled by retail stores, is handled by the cash and carry, or chain store? This fact has been arrived at by a careful study made by J. Frank Grimes of the W. W. Thompson Co. of Chicago, and he shows that less than

1% of the grocery business in the whole United States is handled by the chain stores. In the city of Denver, in a survey made by Mr. Sam Freed of the Great Western Sugar Company, it was shown that about 15% of the total grocery business was handled by the chain stores. This figure will probably apply very closely to such towns as Pueblo, Colorado Springs and Greeley, as well.

What do these figures mean to you? They should mean a whole lot, it seems to me. It means that at least 85% of the grocery business today is being carried on by the individual retail merchant, by you and your fellow merchants throughout the state. It would seem to me that the biggest worry of the retail merchant should be how to retain that 85% of the business and increase it a little, rather than to devote his thinking powers to cussing and complaining about his chain store competitor, who at best only gets 15% of the business.

There are undoubtedly many ways in which the individual grocer can build up his business; there is advertising, display of goods, proper salesmanship and management, and other things, but one of the "big sticks" that many fail to realize as a business builder is credit. Credit is the greatest weapon against the chain store that you have. "Cash and Carry" have become bywords the country over, but now there are two other words that are becoming of equal importance, and are being heard nearly as often as "Cash and Carry"; they are "Credit and Service"—*The Credit and Service Store*. Now how and why is credit a business builder? There are many answers. I can think of seven reasons, and briefly I am going to give you those reasons:

First: Credit ties up trade. It makes regular customers. The woman who comes into your store to order a bill of goods and is extended the courtesy and convenience of credit, and possibly delivery of her merchandise, is going to come back for a second order the next day. If the merchandise is up to standard and satisfactory, she will remain a good customer.

Soon you learn the little things that customer values most. Perhaps she always prefers a certain cut of meat, perhaps she is particular about the potatoes, or she is finicky about the prunes. Soon

those little peculiarities become known to you and your clerks, and you are able to give better satisfaction because of giving better service. When she goes into the chain store, she picks out what she wants, pays for it and leaves. She has established no reason for returning. Oftentimes the man who waited on her does not even know her name. There is not that personal contact that is so necessary in the retaining of a customer. Therefore when she wants to purchase her wares tomorrow, she is just as liable to go somewhere else as not; there is no reason why she should return to the store of yesterday.

Second: Credit sales are larger than cash sales on an average. You who do both cash and credit business can testify as to that. It is only natural that this should be so. A woman leaves the house with \$1.15 to buy groceries. She goes into the chain store, and carefully going over the list of articles she wants, she puts down the money and departs. If she should see some nice lettuce that arrived fresh this morning, but which when she left home she hadn't counted on, she doesn't buy it, because her \$1.15 is spent and they wouldn't credit her with 15c for love nor money. However, when she goes into your store, she not only buys what she wants, but she also sees that nice fresh lettuce and realizes that she had planned on making a salad this noon, but had overlooked it. So she buys the lettuce, and as she is out of salad dressing, a bottle of that is sold also. She feels free to make these extra purchases because of the courtesy of credit which is extended to her. Very often, therefore, the credit sale is larger, and therefore is a volume builder.

Third: Credit customers buy more. I think I have covered that in the one just discussed, so won't go further into detail.

Fourth: Credit develops confidence in the merchant and this breeds good will, without which no merchant can long survive. When your customer calls you on the phone and orders lamb chops for dinner, if you are the kind of merchant you ought to be, she feels confident that those lamb chops are going to be the best you have. You have sold her lamb chops before. You know what she wants, and you will have them delivered,

(Continued on page 18)

LAST CALL!

*For Our Fourteenth Annual Convention
Los Angeles, August 10-11-12-13*

The stage is set and all preparations made for the most educational and entertaining Convention in our history.

Here are some of the reasons why your National Officers are expecting to break all attendance records:

This is our first Convention on the Pacific Coast, held in that beautiful city of Los Angeles, a place where we have all hoped to be able to go.

We have the assurance that the Retail Merchants Credit Association of Los Angeles, a most progressive and up-to-date local, will look after the comfort of every visitor.

Railroad rates are exceptionally low: Summer tourist rates being *less than our usual fare and one-half!*

The meetings will be held in the most spacious and best equipped auditorium in which we have ever met.

The Group Conferences will meet under ideal conditions in open air pavilions, sheltered from sun and rain.

The most educational programme ever compiled—four days of intensive credit study dovetailed with entertaining features which will make the hours spent seem all too short.

An exhibit of Credit Department Forms and Mechanical Helps, surpassing any of former years.

An opportunity to make side trips in a thousand combinations such as comes only once in a life time.

An ideal vacation trip for the entire family with the guarantee of a profitable and enjoyable time.

Members are urged to make reservations now. Don't wait until the last minute.

St. Louis, your National headquarters, is the central concentration point for all members from East of the Mississippi. A special train to accommodate three hundred has been arranged for. Omaha, Nebraska, is also a gathering point with another special train.

Do it now! Send in your reservation

D. J. WOODLOCK,
Managing Director.

Complete Program

**Fourteenth Annual Convention, Retail Credit Men's National Association
Ambassador Hotel, Los Angeles, August 10-11-12-13, 1926**

Tuesday, August 10

Morning Session

- 9:00 Convention called to order.
Music.
- 9:15 Invocation—
Rev. James A. Francis, First Baptist Church, Los Angeles.
- 9:20 Address of Welcome—
Hon. George E. Cryer, Mayor of Los Angeles.
- 9:30 Response—
Leopold L. Meyer, Cr. Mgr., Foley Bros. Dry Goods Co., Houston, Texas; Second Vice-Pres. R. C. M. N. A.
- 9:45 Report of President—
Ralph W. Watson.
- 10:15 Report of Secretary—
David J. Woodlock.
- 10:30 Address—
"The Credit Service Exchange Division—This Year and Next," J. R. Truesdale, Secy-Treas., Credit Service Exchange Division.
- 10:50 Announcement of Committees—
1. By-Laws—E. B. Heller, St. Louis, Mo.
2. Credentials—Louis Byrne, St. Louis, Mo.
3. Resolutions—Fred Thompson, Minneapolis, Minn.
4. Nominating—L. T. Pease, New York, N. Y.
- 10:55 Introductions.
- 11:00 Address—
"Credit Sense," Mr. Samuel J. Crow, San Diego, Cal.

- 11:30 Report of Finance Committee—
Sidney E. Blandford, Chairman—Mgr., Superior Finance Service, Boston, Mass.
- 11:50 Address—
"New Wine—Old Bottles," E. Gamlen, Cr. Mgr., Frank Werner Shoe Co., San Francisco, Cal.
- 12:20 Announcements.
- 12:25 Introductions.
- 12:30 Recess.

Afternoon Session

- 1:45 Reconvene.
Music.
- 2:00 Address—
"The Relation of the Volume of Accounts Receivable to Available Capital," R. V. Chaffee, Ernst Kern Co., Detroit, Mich.
- 2:20 Open Forum Discussion.
- 2:50 Address—
"Does a Lenient Policy that Results in a Low Percentage of Collections and a High Bad Debt Loss Produce an Increased Volume of Charge Business, and if so, is the Increase Sufficient to Make Such a Policy Advisable?" Geo. A. Lawo, Cr. Mgr., John Gerber Co., Memphis, Tenn.
- 3:10 Open Forum Discussion.
- 3:40 Address—
"What Items Make up the Cost of Operating a Credit Department and What Can be Done Toward Standardizing Them? What Should be the Cost of Operation, Figured in Percent-



Ambassador Auditorium—In the Shadow of the Hotel

ages on the Volume of Credit Extended?" A. S. Jacobs, Cr. Mgr., Popular Dry Goods Co., El Paso, Texas.

- 4:00 Open Forum Discussion.
- 4:40 Introductions.
- 4:50 Announcements.
- 5:00 Adjournment.

Wednesday, August 11

Group Conferences All Day

All Conferences convening at 9:30 A.M. Meeting places will be announced at Tuesday Sessions.

Noon recess will be from 12:30 to 2:00 and adjournment for the day will be at 5:30 P.M.

CHAIRMEN

General Chairman—

LEOPOLD L. MEYER, Cr. Mgr., Foley Bros. Dry Goods Company, Houston, Texas; Second Vice President. R. C. M. N. A.

Vice General Chairman—

M. HART DASTEEL, Credit Manager, The Emporium, San Francisco, Cal.

GROUP CHAIRMEN

Department Store Group—A. J. SKIDMORE, Auerback Co., Salt Lake City, Utah.

Furniture Group—L. M. CROSTHWAITE, Barker Bros., Los Angeles, Cal.

Women's Specialties Group—FRANK BATTY, H. Liebes Co., San Francisco, Cal.

Public Utilities Group—WILLIAM MURPHY, Public Service Co., Denver, Colo.

Men's Clothing Group—OLIN D. BERRY, Halls-on-the-Square, Knoxville, Tenn.

Finance and Banking Group—J. R. BUCHIGNANI, Liberty Savings Bank & Trust Co., Memphis, Tenn.

Automobile & Accessories Group—T. A. NICKEL, Hanna Motor Co., Birmingham, Ala.

Boot & Shoe Group—A. F. KUHLEMAN, Krupp & Tuffy, Houston, Texas.

Jewelry Group—P. O. GREER, Freunds Jewelry Co., St. Louis, Mo.

The Chairman of each group has prepared a definite program for his Conference.

Thursday, August 12

Morning Session

- 9:00 Reconvene.
Music.
- 9:15 Invocation—
Right Rev. J. J. Cantwell, Bishop of Los Angeles and San Diego.
- 9:20 Address—
"A Study of the Volume of Installment Credit and the Merchants Available Capital," R. A. Westberg, Sec.-Treas., Westberg & Childs, Seattle, Wash.
- 9:40 Open Forum Discussion.
- 10:15 Address—
"The Bank's Viewpoint of Installment Selling as it Affects a Merchant's Credit and the Thrift of the Public," J. C. Lipman, Vice Pres., Union Bank & Trust Co., Los Angeles, Cal.
- 10:35 Open Forum Discussion.
- 11:10 Address—
"A Study of the Relation of Installment Terms to 'Mark Up' and of the Items of Expense Incident to Installment Selling," L. Michaels, Harris Department Stores, Pittsburg, Pa.

- 11:30 Open Forum Discussion.
- 12:05 Report of By-Laws Committee—
E. B. Heller, St. Louis, Mo.—Chairman.
- 12:15 Report of Nominating Committee—
LeRoy T. Pease, Ovington Bros., New York City—Chairman.
- 12:20 Announcements.
- 12:30 Recess.

Thursday, August 12

Afternoon Session

- 1:30 Reconvene.
Music.
- 1:35 Address—
"The Place of the Finance Company in Retail Business," R. N. Clifton, A. Ramage Company, Oakland, Cal.
- 1:55 Open Forum Discussion.
- 2:15 Address—
"Credit Observations of a Wholesaler," F. B. McComas, Pres. McComas Dry Goods Co., Los Angeles, Cal.
- 2:35 Open Forum Discussion—
Conducted By President Watson and Secretary Woodlock.
- 2:55 Address—
"The Effect of Installment Selling on the Buying Power of the Public," L. M. Crosthwaite, Cr. Mgr. Barker Bros., Los Angeles; Director R. C. M. N. A.
- 3:15 Open Forum Discussion—
Conducted By President Watson and Secretary Woodlock.
- 3:40 Report of Committee on Cooperation with National Association of Credit Men, Wm. H. J. Taylor, Cr. Mgr. Franklin-Simon & Co., New York City—Chairman.
- 3:50 Report of Legislative Committee—
Stephen H. Talkes, Chairman, Manager, Associated Retail Credit Men, Washington, D. C.—Chairman.
- 3:55 Announcements.
- 4:00 Adjournment.

Friday, August 13

- 9:00 Reconvene.
Music.
- 9:15 Invocation—
Rabbi Maxwell H. Dubin, Temple B'Nai Brith, Los Angeles, Cal.
- 9:20 Report of Credentials Committee, Louis Byrne, St. Louis—Chairman.
- 9:30 Address—
"Making Taxes Pay Dividends," Leonard B. Gary, Dist. Mgr., U. S. Dept of Commerce, San Francisco.
- 10:15 Final Report Resolutions Committee, Fred Thompson, Minneapolis, Minn.—Chairman.
- 10:30 Final Report By-Laws Committee, E. B. Heller, St. Louis, Mo.—Chairman.
- 10:40 Discussion by the Convention of Policies and Activities of the National Association for the Coming Year.
- 11:30 Election of Officers and Directors.
- 11:45 Inauguration of New Officers.
- 12:00 Invitations for 1927 Convention.
- 12:30 Adjournment.
- 2:00 Meeting Board of Directors.

Program Credit Service Exchange Division

Tuesday, August 10th

Afternoon Only

- 2:00 Call to order by Chairman William H. Gray.
1. Annual Report of Chairman William H. Gray.
2. Annual Report of Secretary-Treasurer J. R. Truesdale.
- 2:20 Appointment of Convention Committees—
A. Resolutions and By-Laws.
B. Nominating.
C. Auditing.
D. Credentials.
- 2:25 Introduction of Resolutions and Proposed Legislation.
- 2:30 GENERAL SUBJECT: "Developing Reporting Service."
(Discussed under two subheads: "Sales" and "Production.") 1. "Sales"—Group Chairman, A. B. Buckridge, Saginaw, Michigan. (Three ten-minute papers followed by discussions.)
- 2:35 A. "To Whom"—E. V. Grisvard, Seattle, Wash.
- 3:05 B. "By Whom"—Allan Hupp, Omaha, Nebr.
- 3:35 C. "How"—W. C. Weager, El Dorado, Ark.
- 4:05 2. "Production"—Group Chairman, J. H. Van De Water, Los Angeles, California.
A. "Costs and Charges"—C. M. Reed, Denver, Colo.
- 4:35 B. "Office Planning and Equipment"—S. E. Shermantine, Oakland, Calif.
- 5:05 C. "Personnel"—J. E. R. Chilton, Jr., Dallas, Texas.
- 5:30 Recess.

Wednesday, August 11th

Morning Session

- 9:00 GENERAL SUBJECT: "Developing Collection Service"—A. D. McMullen, Oklahoma City, Okla.



Scene from a Hotel Window

(Discussed under two subheads, "Sales" and "Production.")

1. "Sales"—

- 9:00 A. "Selling Collection Service"—F. J. Habein, Livingston, Montana.
- 9:15 B. "Advertising Collection Service"—A. J. Kruse, St. Louis, Missouri
2. "Production"—
- 9:30 A. "Which, Letters, Phone or Personal Collectors?"—L. G. Moore, Tucson, Arizona.
- 10:00 B. "Collection Stunts"—W. H. Milham, Kalamazoo, Michigan.
- 10:30 C. "Collection Systems"—J. A. Gross, Los Angeles, California.
- 11:00 GENERAL SUBJECT: "Building the National"
S. H. Talks, Washington, D. C., Group Chairman.
A. "Building the National"—President R. W. Watson, Spokane, Washington.
- 11:10 B. "Administrative Problems"—Managing Director D. J. Woodlock, St. Louis, Mo.
- 11:20 C. "How the Division Can Help the National"—Vice President E. B. Heller, St. Louis, Mo.
- 11:30 D. "Procuring Big Business on a National Scale"—W. V. Trammell, Birmingham, Alabama.
- 12:00 Business Session—
Reports of All Committees.
- 12:30 Recess.
- Afternoon Session*
- 2:00 Business Session—
Election of Officers and Board of Control.
Open Forum.
- 3:45 Installation of Incoming Board.
- 4:00 Adjournment.

Entertainment Program

MONDAY EVENING

Courtesy Banquet at the Elks Club given for the National Officers and Board of Directors.

TUESDAY AFTERNOON

Afternoon Tea—Ambassador Hotel—Ladies.

TUESDAY EVENING

Buffet Dinner and Dance—Ambassador Hotel.

WEDNESDAY AFTERNOON

Motor Trip to beaches and moving picture studio—Tea at a beach club—Ladies.

WEDNESDAY EVENING

Theatre Party—Carthay Center Circle Theatre.

THURSDAY AFTERNOON

Luncheon and entertainment—Women's Athletic Club—Ladies.

THURSDAY EVENING

Banquet and Dance—Ambassador Hotel.

Why Stores Everywe



THE NATIONAL CASHE

What are Changing to the "Charge Phone Method" of Authorizing Charges

- ① It gives much faster service to the customer.
- ② Gives credit office closer check and better control over charge purchases.
- ③ Does not mar the appearance of the store.
- ④ Costs much less.

Credit Conditions in Pueblo Profitable to Purchasing Public

Credit conditions in Pueblo are so good that the margin between cash and credit sales is so close as to be practically negligible. This was brought forcibly to the attention of business interests here recently when a large chain store planning on entering the city, discovered, after investigation, that the credit standing of Pueblo is far above the average and losses so small that competition in price between the cash and credit basis has been almost eliminated.

This statement came out of the office of the Pueblo Mercantile and Credit Association Thursday.

One merchant doing a credit business with a turnover of \$150,000 a year reported a loss of only one-fortieth of one per cent during last year and this is considered by C. O. Stiles, manager of the credit association, as establishing a record hard to equal any place in the United States.

Pueblo has 370 members in the association who by close co-operation have, through their executive office, the credit association, built up the credit of this community until today it is impossible for any one not worthy of credit to receive it from the members of the organization, Mr. Stiles said.

But in spite of these restrictions, the credit business in Pueblo has increased to an enormous extent while records show that the losses have decreased more than 50 per cent from 1924 to 1925.

The more credit business done on a legitimate, secure basis, the better the business of the community, is the belief of the organization and the association encourages buying on credit by a properly budgeted system, but puts the ban against the purchaser who attempts to buy on the installment plan beyond his means of payment.

Many articles purchased on the installment plan are a saving, as money invested in this manner, would probably be "blowed in," if not tied up in installment contracts, Mr. Stiles said.

The whole credit situation and the prosperity of a community hinges on the co-operation of the business and professional men, according to the belief of Mr. Stiles. He cited an instance, not far from Pueblo, where two cities of the same size, with same freight rates and similar conditions generally, vied with one another for business. One

city sold staple articles for 18 per cent less than the same articles could be purchased at the neighboring town. This was explained by the fact that the town selling the same goods cheaper than the rival town had organized a credit association and their credit losses were so small that they were able to reduce the general price to the public, while the other town, without co-operation of the business interests, took such heavy losses from credit yearly that it was impossible to meet the competition of the neighboring city.

The local association is this week preparing for its members a list of the "slow" pays. That is a condition that also has to be met. It is not only the "deadbeat" that the association must catalog but it is necessary to also index those who do not meet their obligations promptly. The turnover value of money must be considered in all business and while the person who intends to pay his

bills, and who does eventually pay them, is not as poor a risk as the "deadbeat," yet, his business is not much to be desired by the business men because of the uncertainty of the transaction.

There are several grades of risks that are being indexed this week for the membership. The slow pay is one; the person who always returns merchandise on some small pretext is another, and the person who generally disputes his bill when it falls due is another. These classes will all be listed and placed before the members of the association so that merchants will be fully advised before extending credit.

The province of the association is not to curtail credit, but rather to increase it on a legitimate basis, and by its work and co-operation credit losses in Pueblo have become so small that those who get the advantage of credit receive practically a cash price on all their goods so purchased.—*Pueblo Chieftain*.

Four days of credit-education—Los Angeles, August 10-11-12-13.

James Woodlock

James Woodlock, father of our Managing Director, passed away Monday evening, June 28th at 10:30.

Mr. Woodlock, who was seventy-six years of age, had been in failing health for several months, yet he was the possessor of such unusual strength of will that despite his condition he insisted on being up and around almost to the very end.

A resident of St. Louis for many years, Mr. Woodlock had a host of friends who revered him for his sterling qualities. A gentleman of the old school, he impressed one with his quiet dignity and serenity of mind, outward symbols of a life well spent.

Those of our members who visited the National Office and had the pleasure of meeting this lovable old gentleman, always departed with a feeling of admiration for him. Your officers, who knew him intimately, all had deep affection for him.

To Dave, and the rest of the family, we extend our sincere sympathy.

Ralph W. Watson
E. B. Heller
Leopold L. Meyer
J. R. Truesdale

The President's Message

This is my last "Message." The fact brings crowding to mind gratitude, a little pride, some disappointment, and visions of our future.

Sensible a year ago of the honor paid me by election to the highest office in the Association, I appreciate it even more now, for the closer contacts have taught me the manner of men and women I was entrusted to lead; have shown me the path our Association must follow; have brought home the responsibilities of leadership in work so useful to American business and not only to business, but to the American public. Indeed I am grateful for the opportunity to broaden myself; for the wonderful friends you have all been to me; for your suggestions, for your criticisms so kindly made; for your labor in the Association's behalf; yes, I am grateful and proud of your support.

Doubtless each of our Presidents has retired just a little disappointed. Some of his rosy visions have faded. His plans have of necessity been revised and changed. Much he hoped to do is still undone, and measured by cold figures the Association's progress during his term is too little.

Doubtless each retiring President leaves office with visions of our future and plans for our accomplishment that others must execute and he wonders if his successor will begin where he left off, or will begin all anew.

Right here is where I think our membership should awake.

If I observe aright, each President has been literally compelled to almost start anew. We seem to have had no continuing policy of Association operation except to continually increase our membership. Instead of being an executive, charged with the definite duty of carrying out the expressed will of the Association, the President has been compelled to himself lay out policies after taking office, and then go about gaining support for them from a membership knowing him too little—a membership hard to reach, and hard to convince; a membership purely voluntary, with no incentive to work in carrying out those policies unless it understand them and choose to expend its effort.

By the time your President has gained your confidence, made his policies clear and sold them to you, then organized your collective efforts into one useful en-

deavor, his term is largely gone, his time is necessary in arranging his Convention program, and work stops, all to be reorganized by his successor.

My plea is not for a longer term for your President; rather that we lay out now a program of activity for several years to come and then charge our officers with its accomplishment. Let us



RALPH W. WATSON

now organize our forces into a working machine continuously ready for service to execute the work as it develops.

Let us make our Association goal the development of correct credit policies. Our merchants and credit men lack definite policy. We have scant information about the economics of retail credit—no wonder we lack policy. We need to know just how and why retail credit serves the merchant and the public. We need to know where the profit ends and the loss begins. So let us develop definite credit policies economically correct.

To go about it, let us:

First: Lay out the steps necessary to that accomplishment—find out and chart the information to be assembled, where it is to be obtained, and the means of collecting it.

Second: Let us make definite plans for distributing this information and procuring the co-operation necessary to making it useful.

Let us first declare our purpose as suggested herein.

Let us next definitely budget our income providing (1) Executive Expense, such as conduct of the National Office, CREDIT WORLD, and such—the fixed

expense we may call it, (2) for research along the economic lines suggested, (3) for development of the Association membership, and publicity.

I would have the Association as a whole pass on this, leaving its execution to the officers and directors. After the fixed expense was provided I would devote half or more of the remaining resources to research.

Our National Office is now performing much real service to our members. I would continue such service as our collection book, tracing service, etc. I would enlarge CREDIT WORLD a bit each year as our resources permit, eventually providing an editor for it with little other duty. The Service Division must have our continual and perhaps our increased support. All this comes under fixed expense.

Research cannot be conducted by mail. We must go out after information, right into the store and office. We must know what information we want, and get it and use it without violating the confidence of the giver. We must assemble it, develop conclusions, and distribute the facts so that they point the way to definite, correct credit policies. In no other way can I see much hope of real progress.

Our membership must be developed in the form of local associations, else we shall lack power to take advantage of information after it is collected.

Local associations have generally been most useful in exchanging derogatory credit information about their customers. This useful activity must be supplemented by definite efforts to develop definite credit policies, economically correct. Each local should have a standing National Association Committee ready to carry out the work of the National in its own community.

Other incidental changes in our structure occur to me, but space forbids more detail. The point is that we must lay out a program, make that program known to our members, and then organize our forces so as to carry it to successful execution. With the executive ability in which our Association is so rich, there is nothing to stop our accomplishment, once we start right. Our period of experiment is past. Our resources are sufficient—now we can find and fill our place in American business.

If my administration ends with the definite charting of our course somewhat

as outlined herein I shall feel that to be the principal accomplishment of the year and I shall regard our future with great confidence.

I shall retire to the ranks of your Past Presidents with the keenest respect for you members, you directors, and you officers, and more than that, with a real affection for you individually and collectively. There is nothing of rancor—no heart burnings. In all the fourteen thousand of you there is not one I wouldn't be delighted to see, to visit with, and to work with. To this page I bid an appreciative farewell. To you, my friends, I extend my heartfelt thanks for this happy year, but I bid you no farewell. From henceforth I am a private in the ranks, always anxious to carry my share of the load, and our friendship shall continue on with our future years of mutual service to this useful organization.

Installment Merchandising Survey

By National Association of Credit Men

The dangers to business that accompany consumers' overbuying and the permitting of individuals to mortgage their incomes too far into the future for the security of credit are the principal evil factors that reside in installment buying as shown by an analysis of a survey made by the National Association of Credit Men.

An analysis of the survey which was conducted by the Department of Public Relations reads as follows:

"More than 70 per cent of the credit executives in manufacturing, wholesaling and banking, whose opinions were tabulated, criticized installment merchandising, as now conducted, on the basis of consumers' overbuying.

"These executives, many of whom are treasurers, owners and important officials in their respective concerns, stressed the need of an effective system to discover consumers' overbuying on installments so that credit risks could be properly judged. They agree that installment selling encourages or permits extravagance because credit managers as a rule have no efficient way of determining when an individual has purchased up to his capacity as the wholesale credit man has in determining the outstanding indebtedness of a retail merchant or jobber.

"About 65 per cent of the opinions were critical of the terms of payment. Those who expressed themselves about terms held that the first payments were

too small, that the terms were often too long and that in general the acceptance of consumers' credit for goods was frequently too liberal to make the plan permanently safe.

"More than 60 per cent of the opinions expressed disapproval of the sale of luxuries on the installment plan. These men maintained that installment selling should be confined to useful articles of some permanent value or articles that had considerable resale value in the event of default in payments.

"About 15 per cent of the replies saw danger in increased bad debts and in more difficult collections. These persons also believe that installment buying establishes a wrong attitude toward the use of money and the possession of luxuries by those who can ill afford them. A little more than 20 per cent pointed to dangers of overproduction, to higher prices of goods created by interest and investigation charges, to discouragement of saving and to injuries to small merchants and those manufacturers whose goods cannot be sold on installments.

"As previously reported, about 57 per cent of the association's members are opposed to the principle of installment selling while 90 per cent believe that as now conducted installment merchandising is being carried too far."

New York Association Installs Adjustment Bureau

The Associated Retail Credit Men of New York will, on July 12, open an adjustment bureau to handle the claims and collections of its members.

A complete staff, including an attorney, has been engaged and will give its entire efforts to assisting members in the collection of claims. It is felt the power and prestige back of the New York Association will be a force that will get results.

Following is a schedule of charges for the service:

Collections effected by Association or Attorney letters	6%
Minimum Fees	\$5.00
Court costs on legal suit locally, up to and including entry of judgment	\$7.50
Claims collected by suit, locally:	
On the first \$300	15%
On the excess of \$300 to \$1,000	8%
On the excess of \$1,000	4%
No fee to be charged on items without suit, unless collection is made.	

On out-of-town collections where a correspondent association effects collection, and its rates vary from the above local schedule, charges will be made in accordance with its schedule.



Retail Credit Men's National Association Convention

Los Angeles, August 10-13, 1926

Special Train

Leaving St. Louis 1:30 P. M. August 4th

visiting en route

Colorado Springs

Albuquerque, New Mexico

Grand Canyon National Park

Members' families and friends are cordially invited to join the party. For additional information, Pullman reservations, etc., call or address any Santa Fe representative or

C. N. Merriam

Chairman Transportation Committee

Associated Retail Credit Men and Credit Bureau of St. Louis
416 N. 4th St., St. Louis, Mo.

E. H. Dallas

District Passenger Agent

Santa Fe Railway

296 Arcade Bldg., St. Louis, Mo.

Wichita Credit Men Organize Own Bureau

By W. H. Baldwin

Manager Central Coal & Coke Co., Wichita, Kansas

The retail credit men of Wichita reached the decision last September that the time had come for a merchant owned bureau, and their plans were sanctioned

Allen W. Hinkel Company, expressed it this way:

"In the life of our accounts the second and third summers are the hard ones. When a customer first opens an account—answers all the questions asked and has it explained that information will be cleared through the bureau and that accounts are due in thirty days, it's a pretty safe bet that the first bill will be paid exactly when due or before. Bills incurred the first year will usually be paid pretty close to the date due. But by the second or third year, he begins to feel that we are old friends—that we should cheerfully carry him to a greater or less extent.

"If the customer is in a fundamentally sound position financially, we feel that we can't afford to be too exacting about payment on the exact date due. Frequently, however, the reason for his laxity is due to the fact that he is no longer in a sound financial position. He has opened too many other accounts, especially of the deferred payment variety.

"But by the time we get around to getting a re-check he owes us enough to make it a difficult collection. I mean that's the way it used to be. Now we have our reciprocal reports."

In addition to the ordinary telephone report there is a written report to the store making the inquiry, and a copy of the written report—the reciprocal—is mailed to each store that is called on for information. Reciprocals are also mailed out to all firms interested when accounts are placed with the Collection Department of the Bureau for handling and when other information develops that should be of interest.

The system was closely patterned after that in use by the Wichita Association of Credit Men (wholesale). Mr. M. E. Garrison, Manager of the wholesale association, has rendered valuable assistance throughout the various phases of organizing the retailers' bureau.

The new bureau opened up for business in October with thirty subscribers. The number has been increased by gradual accretion to one hundred seventy-five. The number of reports rendered

in October was 1,535. This had increased in May to 5,237.

In addition to an efficient collection department under the supervision of Wetmore, Hinkle & Ashford, Attorneys, the Association enjoys the services of Mr. Dan Hosmer, who, as the head of a first-class detective organization, has been of great assistance in restricting the activities of check artists.

Most of the leading credit men of the city devoted a large share of their time in order to get the work accomplished which was necessary to get the bureau organized and functioning in so short a period. The splendid executive ability and untiring efforts of R. J. Puckett, President of the Association, were of special value.

The energy and initiative of C. E. Waggoner, Manager of the Bureau, give assurance of a service that will constantly improve over the high standard which has already been set.

To avoid confusion, correspondence intended for the merchant-owned bureau should be addressed to Wichita Retail Credit Men's Association, Inc., 201 Kaufman Building, Wichita, Kansas.



R. J. PUCKETT

by the Retail Division of the Chamber of Commerce. Within ten days after the decision was reached, offices had been opened in the Kaufman Building, in charge of C. E. Waggoner, who had been Credit Manager for the Kansas Gas & Electric Company for two years, and Mr. Waggoner was assisted by a staff of experienced credit reporters. Thirty days after the opening of the Bureau, reports were being given which met the requirements of the leading credit men of the city. Of course the information available has been greatly amplified and improved since that time.

Before a cent was expended or an announcement was made the Board of Directors solemnly agreed that the organization must be an absolutely up-to-date bureau, equipped to meet the requirements of credit granting in the year 1926. The outstanding need, they felt, was a system of keeping in closer touch with accounts after they are opened. President Puckett, Credit Manager of



C. E. WAGGONER

Credit as a Business Builder

(Continued from page 7)

and charged, and she is not put to the worry nor loss of time of getting the money from hubby before he goes to work in the morning, and catching a car and going to the store after it. She is busy, and can't spare the time, and she knows that it isn't necessary when she trades at your store.

She tells her neighbors about the good chops she had for dinner, and how she called up at ten o'clock and they were charged and delivered in time for the noonday meal. The neighbor appreciates the convenience, and she too opens an account and becomes a regular customer. Thus confidence and good will are engendered, and your volume is built up with regular customers, customers that you know are coming back, and have not just come in for the purchase of the moment.

Fifth: Credit develops in many instances, better trade. The bargain hunter seeks the cash stores. The more responsible customers patronize the credit stores. The dependable customer knows what she wants and where she can get it, but the bargain hunter is always looking for something for nothing, and then kicks because she didn't get her money's worth.

Sixth: Credit irons out the high peaks and makes the daily sales more uniform. There is not that fluctuation such as is necessary in the cash and carry store. Last night when riding home with a grocer who had attended yesterday's session here, he said that he seldom put on a sale or advertised goods below cost to attract customers. "I have customers all over town, and they know my prices, and that they are as low as is consistent with good merchandising," he said. That grocer has a small store way over on the east side of town, yet his delivery wagon can be seen any day right here in Manitou. When his customers move, they do not lose their confidence in his store. It is as easy to call him as the corner store, and so he retains his customers, no matter where they live in the city.

Seventh: Credit is a necessary convenience. The fact that 85% of the grocery business, and 92% of all the business done is on a credit basis shows that there is a saturation point, which is pretty near the bottom, on cash business. It is a necessary convenience for many

reasons, some of them perhaps, reasons which are not conducive to good business. However, those conditions are upon us, and they must be met.

We hear a great deal about the installment business. It is here, and here to stay, and our biggest worry seems to be how to keep it within proper control. Installment business in a grocery store of course is never wise, yet there are many of you, I'll wager, that are having some of your accounts paid in installments, because the customer has to take part of the money due you to pay on the radio. She can't get along without the radio, because Mr. Tucker is going to sing again tonight, and he has such a darling voice. So the grocer, like the radio dealer, takes his in installments.

I have not said much about the proper extension of credit. I don't think it is necessary to say much. Doubtless most of you know much more about that than I do. However, with the growth of the installment business and the rapid increase of credit business, the problem of credit control is one that is ever increasing in its difficulties. The retailer who

joins hands with reckless customers by abusing credit through extravagance, through urging them to thoughtless purchases, quickly finds himself in a position where he cannot realize on the accounts owed him, and he fails, and deserves to fail.

I am a believer in the fact that when it comes to extending credit, a man's judgment is no better than his information. It is therefore, absolutely necessary to get adequate information through a local credit bureau, in order to base your judgment correctly. This does not need any further discussion for I think it has come to be a recognized fact throughout the entire country. The whole thing can be summed up in this thought: Make credit sought; don't allow customers to run your credit department and don't give credit away. Use credit as a service to deserving persons of good standing, and then you will control your credits, and your credits won't control you.

In conclusion, let me say that I believe credit is more of a business builder today than ever before. True, its proper control is more difficult, but it's always the hardest nut to crack that has the sweetest meat inside. It is the greatest weapon with which to combat the chain store, and with the constant increase of

Florida Florida Florida

**Credit Men—Credit Bureaus,
Anywhere in the United States:**

If you have information on skips or undesirable credit risks who have left your home town for Florida, supply the necessary information to us and we will endeavor to locate them for you and if found will notify you through your nearest Credit Bureau, as to the party's location and his line of business in Florida.

The Associated Credit Bureaus of Florida
Secretary's Office
P.O. Box 193 Orlando, Florida

credit business throughout the country, its value as a business builder will be ever on the increase, and in my opinion, will be the "big stick" that will eventually mean the stopping of the progress of chain store competition. Business is safe, and in closing, I just want to give a quotation:

"Business is safe—when you can shake hands with your competitor and mean it; when you can work hard in your business and love it; when you can advertise service and give it; when you can build a reputation and keep it; when you can accept wise counsel and heed it; when you agree to a standard and stick to it; when you can establish confidence and maintain it; when you can recognize doubt and destroy it; when you can recognize wrong and combat it; when you can attack failure and defeat it; when you can meet opportunity and know it; when you can make an admission and forget it—then business is safe."

Washington, D. C. opens Collection Department

The Associated Retail Credit Men of Washington takes pleasure in announcing that the Collection Department of the Association is operating satisfactorily and is ready to serve in the collection of outstanding items of any kind on debtors in the city and vicinity. This Department of the Association occupies separate quarters on the third floor of the Bank of Commerce & Savings Building and employs a personnel of seven for this particular work.

Particular attention is given to the accounts referred here by members of the Credit Service Exchange Division of the Retail Credit Men's National Association and you are invited to correspond with Washington on all items relating to credit information or collection of accounts.

**Associated Retail Credit Men
of Washington**
Bank of Commerce and
Savings Building
Washington, D. C.



Read these stickers—they carry money-getting messages

Use These Six Stickers On Your Statements —And Watch Collections Start!

Overdue accounts statement after statement
accounts still unpaid you wonder what to do

But try this series of six stickers! Send a statement **EVERY TEN DAYS**. Attach sticker No. 1 to the first statement, No. 2 to the second, etc.—and watch the accounts pay up.

No bull-doing tactics—nothing to offend your customer—just a friendly reminder worked out in a perfect system keeping **YOUR** bill before your customer's memory.

Order the whole system—it only costs \$2.00 to try it out—then use it according to instructions for best results.

Six stickers to set as shown, printed in two colors—text emblem and inside border in black, wide outer border in bright blue. Packed 250 sets of six in strong envelopes, with full instructions for using.

—And they do collect. . . That's why **OVER TWO MILLIONS** have been used by credit men to speed collections.

250 sets of six (1500 in all) \$2.00
1000 of any one sticker \$2.00

**Retail Credit Men's
National Association**

Equitable Bldg.

Saint Louis



Entrance to Mission Inn, Riverside, Cal.

About Retailers' Net Profits

Frequently when net profit percentages are quoted, we do not take into consideration the stock turnover, which makes a considerable difference in the year's earnings. The following from the *Retail Ledger* is interesting:

Net profits in percentage of net sales are as follows in the different lines: Department stores, 2; groceries, 1.8; jewelry stores, 2; shoe stores, 1.7; hardware stores, 0.83; specialty stores, 3.3; drug stores, 6.4; clothing stores, 4.6; meat stores, 2.3; florists, 7.6; furniture, 7; haberdashery, 5.5; millinery, 5.3; stationery, 2.8.

Stockturns run approximately: Department stores, 3.3 times a year; grocery stores, 10 to 12; jewelry stores, 0.9; shoe stores, 1.9; hardware stores, 2.2; specialty stores, 5.9; drug stores, 2.3; clothing stores, 2.1; meat stores about 80; furniture stores, 3; haberdasheries, 3.6; millinery, 3.1; stationery, 2.8.

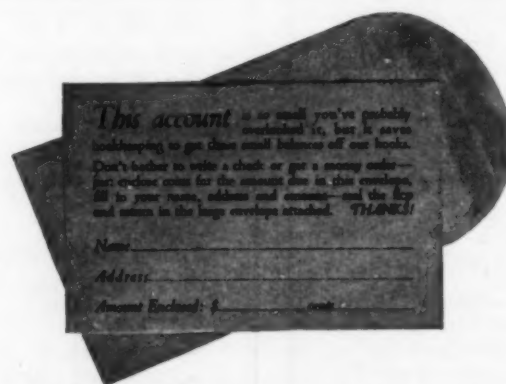
Assuming a unit of \$100 a year net sales, the department store profit on this would be \$2. Or since the stockturn is 3.5 times a year for department stores, the \$2 would be earned on an average stock of \$28.57 at retail valuation. A usual margin for department stores is 32 per cent of retail volume. Reducing \$28.57 by 32 per cent, you get \$19.43

as the theoretical average stock at cost price, on which the profit of \$2 is earned. In other words, the percentage of return on actual stock investment is a fraction over 10 per cent. The figures for the other lines may be calculated in the same manner, using the following typical margins:

Department stores, 32 per cent; groceries, 19; jewelry stores, 40; shoe stores, 27; hardware stores, 27; specialty stores, 33; drug stores, 36; clothing stores, 30; meat stores, 18; furniture stores, 40; millinery shops, 36; stationery stores, 36.

It must be remembered that the figures so obtained will not take into account any investment other than in merchandise, and that they are of more theoretical than practical use, for through the process you combine average or usual figures all the time, whereas it is very seldom that the experience of the actual individual store is identical with the average on any given point, and still less frequently will it have the experience of the AVERAGE on three separate points like net profit on sales volume, turnover, and margins.

These figures are therefore submitted as more indicative than otherwise. In actual practice some wide variations will be found in both directions.



Collect Small Balances With Small Expense

Here's an inexpensive method for the collection of small balances. You know how costly and exasperating those small balances are! "Too small," the customer thinks, "too much bother to write a check for a few cents."

So you have to send statement after statement—your bookkeepers have to

carry these small balances over month after month—until the cost of collection exceeds their value!

Make it easy for your customers to pay small amounts—send one of these reminder-envelopes with each small balance statement and eliminate collection worry.

Price \$4.75 per 1000

Order from the National Office

Some Problems of the Credit Manager

By Dr. Frank A. Fall

Director of Research and Education, National Association of Credit Men

In whom does credit reside? In the buyer, absolutely. Who has this power to obtain goods and services on promise of future payment? The buyer. Who exercises this power? The buyer. And yet our present terminology gets the cart before the horse and makes it appear that credit resides in the seller. Ask any man on the street what he regards as the function of the credit manager and he will tell you, "Why, to extend credit, of course." Or he may say "to grant credit," which is the same thing.

But the seller's credit manager does not "grant" or "extend" credit, which we have seen to be a power residing in the other man, the buyer. What he does is to *appraise* or *pass on* the buyer's credit, and decide whether he will accept it in exchange for his concern's goods or services.

Strange to say, we sometimes blunder into a correct terminology, without thinking of it. A buyer comes and asks for goods on credit (not for credit, remember, but for accommodation on credit terms.) The Credit Manager says, "Why, certainly, Mr. Jones, your credit is good with us." That is logical. It is sound terminology. But to say "we will extend you credit" would be, as our German friend said, "someding altogether separate."

The term "go-getter" has been so overworked by the Babbitts of today that we may well avoid the use of it, and yet as we analyze the credit manager's program and see what he has to do to perform his functions successfully, it becomes evident that he has to get certain things, or fall down on his job. Four important things he must get are these:

- Information
- Co-operation
- Education
- Recognition.

Every qualified credit manager knows that there are many sources of credit information: In the old days, when a new account came in, the credit manager took a squint at Dun or Bradstreet, and if the buyer was given a fairly good rating, that settled the matter. The credit manager today is not satisfied until he gets all the information he possibly can, not only on new accounts, but on all of his accounts.

In addition to the mercantile agency ratings and reports he insists on having ledger experience, secured either by direct interchange or through some interchange bureau. Right here it should be said that the National Association of Credit Men, in developing its interchange bureaus to the point where there are now 60 bureaus in operation (and before long there will be a complete national clearance), has never lost sight of the advantages of direct interchange. The Association believes in direct interchange, and encourages it in every possible way. The chief advantage of direct interchange is, of course, that it is personal. You deal with definite personalities, whereas in obtaining information through an interchange bureau you deal merely with symbols,—letters and numbers rather than actual personal entities. There is no question that the information received means more to you when back of it you are able to visualize John Smith of Chicago or Bill Jones of Denver, who may be an acquaintance of yours, or even a friend.

To agency reports and interchange of ledger experience the modern credit manager adds salesman's reports, when he can get the salesman to make them; and special reports from attorneys and banks located in the city where the buyer lives. On his big accounts he may have occasion to make use of corporation manuals, such as Poor's or Moody's, or corporation cards as those supplied by the Standard Statistics Company. He also keeps his eyes open for items in trade and financial papers that concern the business ups and downs of his customers.

If possible, the credit manager arranges a personal interview, and sizes up his customer from the point of view of character and capacity,—two of the three C's of credit. The other C,—capital,—comes out when the credit manager succeeds in inducing his customer to submit a balance sheet. In the balance sheet and the profit and loss statement of his customer the credit manager finds some of the most illuminating information that could possibly be secured from any source.

First, the credit manager must get information; second, he must get co-operation. In general, this applies to everybody he deals with,—his superior

officers in the organization, the heads of the other departments, the members of the credit department staff, his customers, and other credit managers in his own and allied lines of business. But what I want particularly to stress here is co-operation with the sales department, for that is one of the biggest and most puzzling problems the credit manager has to meet.

Many people think of the credit manager and the sales manager as parties to an ancient grudge, hopelessly irreconcilable. The way they sometimes act might fairly lead one to suppose that this is so. But it certainly does not need to be so, and in the interest of good business should not be so. What the credit manager and the sales manager need to do is to learn team play. They should understand this, and the executives above them should understand it, too. More than one going enterprise has been wrecked because the big boss did not have the wisdom and the energy to take the credit manager and the sales manager by the scruff of the neck, bump their heads together and tell them to learn how to pull together for the good of the organization, or get out.

What is the good of the organization? How is it measured? In profits. The object of conducting a business is to make profits. That seems a very simple proposition, but do you realize how many of us have entirely forgotten it? Judging by the hectic activities of many American business men, the object of business enterprise is volume. We have gone crazy on volume.

We must show more gross sales this month than last, and more next month than this. Never mind whether the buyer can pay for the goods or not. Never mind whether he even intends to pay for them when he buys them. "Get the orders on the books." That is the slogan. And then let the credit manager worry when the commercial crook cleans out overnight the stock for which he has not paid, and disappears to work the same profitable scheme again in a new place and under a new name.

The credit manager and the sales manager should realize that they are both in the same boat. If the boat has a good voyage and gets safely to port, which means profit, both benefit. But if the boat sinks, credit manager and sales manager alike have to swim or drown, and if they do succeed in getting to shore they both have to look for jobs in another boat.

Co-operation, then, is desirable. How is it accomplished? What constitutes co-operation between credit and sales managers? First of all, it means that each shall understand the other's function in the business, and have due respect for it. If this condition exists, each manager will find frequent opportunities for helping the other. The sales manager will have his salesmen get information concerning customers and turn it over to the credit department. The credit manager will reciprocate by handling the accounts with tact and diplomacy, keeping the customers in a satisfied frame of mind and therefore building up good-will for the organization. The really efficient credit manager is a business-getter and a business-holder.

In fact, if he has the qualities he ought to have, he is a very important part of the sales organization.

In many concerns the credit department is looked upon as a sort of necessary evil, to be tolerated but not encouraged. The manager is given the poorest place in the office layout, and his salary is commensurate with his quarters. Not long ago an advertising magazine printed a long article entitled "Why Not Abolish the Credit Department?" and doubtless many unco-operative sales managers read it and said "God bless you!" to the writer of the article.

The credit fraternity stands in defense of the nation's receivables. Business consists of producing goods, turning them into receivables and the receivables into money. Unless the receivables are turned into money, which goes back into raw materials and thus maintains the rhythm of the working capital cycle, business chokes up and dies. Did I say that credit managers should *defend* their profession? They should *glorify* it, for without it business would go to smash in less time than it takes to tell it.

Springfield (Mass.) Association Makes Hit

The success of our New England Conference held at Springfield, Mass., on May 11 and 12, was largely due to the efforts of the Retail Credit Men's Association of Springfield.

Through the efforts of each individual member, this was the best attended and most educational of any Conference in this section, 275 delegates attending. The program was unusual inasmuch as the "Get-Together" Banquet was held the night before the Conference went into session. These details were looked after by Mr. Chas. J. Martin, Chairman of the Springfield Committee.

All those attending felt that the enthusiasm created by this meeting will result in much activity throughout New England and were loud in their praise of the hospitality and aggressiveness of the Springfield Association.

Have you made hotel reservations for your Convention?

Modern Business English

By A. C. Babenroth, Ph.D.

Assistant Professor of English, Columbia University and Authority on Commercial Correspondence

"Modern Business English" is based on the actual letters of many of the most progressive houses in America. It covers practically every situation and problem which can be analyzed and solved by writing.

In interesting style, the book takes up each step used in properly handling inquiries, orders adjustments, complaints, applications, reports, collections and sales.

Collection Letters

Just as a good sales letter sells goods, so does a good collection letter collect money. Here, in full detail, are presented reasons why one should avoid "bunk" and be specific and sincere but cheerful. The many appeals include those of self-interest, pride, and firmness, and are lucidly displayed. As a specific feature, the discussion of collection letters to women is taken up.

Adjustments and Complaints

The reason why many firms actually solicit complaints and the manner in which complaints are used to build good-will and to reopen accounts are covered. One of many features of immediate value to any business is—"The buyer to blame, claim granted" and "The buyer to blame, claim refused."

Business Reports

The important points to be considered in writing a report based upon an examination of involved statistical data or of periodic progress are made clear.

Sales Letters

Under this topic, the book takes up in logical order each step necessary to build a letter which will accomplish its primary purpose—to make sales. It shows when to use a buoyant, jaunty, juvenile, conservative, or simple tone and gives the reasons. Follow-up, wear-out, and campaign series of letters are included, together with valuable comments on timing the series. Mailing lists are discussed.

466 Pages 6x9 inches—\$4.00

Order Your Copy From

Retail Credit Men's National Association

St. Louis, Missouri

Our Friends—The Wholesalers

We pause to pay a compliment to the Wholesale Credit Men of the Northwest, who are co-operating so loyally with our Association in that section, even to assisting in organizing local associations of retail credit men.

A joint committee from both Associations in Spokane visited Moscow, Idaho, and organized the retailers, with twenty members for a beginning. This is carrying out the thought of the Joint Committee which recently met in New York, and the plans of both Mr. Tregoe and Mr. Woodlock as Managing Directors of their respective organizations.

As the fundamental doctrine of both the National Association of Credit Men and the Retail Credit Men's National Association is Better Credits, it is well to encourage an intimate, friendly relation between the two. It will be of benefit to both.

Houston Adds 51 New Members

Those who had figured that Houston, Texas, with a National Association membership of 275 and a population of 138,276 had reached the saturation point, have another guess coming. Mr. C. W. Hurley, Secretary of the Houston Retail Credit Men's Association, has just sent in fifty-one new members. This is certainly an inspiration for all of us. We hail Houston as one of our real, active and aggressive local associations.

Wichita Association Active

The Wichita Retail Credit Men's Association held the largest and best attended meeting in its history, on July 13, at the Innes Tea Room. Among out-of-town speakers were W. R. Tedrick, Secretary Retail Credit Men's Association, Hutchinson, Kansas, National Director A. D. McMullen of Oklahoma City and M. G. Riley, Secretary Merchants Credit Bureau, Kansas City, Mo.

The Association has endorsed R. J. Puckett, its President, for nomination as National Director at the Convention in Los Angeles.

Duluth Makes Gain

The Retail Credit Men's Association of Duluth has enrolled a number of new members during the past few months. This was largely due to the efforts of Mr. J. A. Motis of the Minnesota Power and Light Company, who is a National Association enthusiast and never passes up an opening to preach National cooperation.

See California now—and attend your Convention at the same time. Special rates on all railroads.



Your Magazine Is Worth Saving!

Save each issue of the Credit World. Use it for reference when you want credit information. It is the only authoritative source of information retail credits.

With this handy binder you can build a credit reference file—with any issue of the Credit World at your finger tips.

Durably bound in gray canvas it is equipped with handy strip fasteners which do not cut or mar the magazines. No punching necessary—no trouble to insert magazines or remove them.

The Supply is Limited—Get Yours Today

While They Last—\$1.00 Postpaid

**Retail Credit Men's
National Association**

**Equitable Building
SAINT LOUIS**

The 4-Point System Collects!

Read the Record of Results on Opposite Page

Here are the three letters and the forward-
ing blank comprising the 4-Point Collection
System. Durably bound in a loose leaf
binder—ready to use.

Note perforated
stub at right, to
be filled in, torn
off, and retained
in your files for
your record.

Notice, at right
how letters are ar-
ranged so you can
fill in debtor's
name and address,
date, amount and
your own name
and address.

No. 3

Name Mr. John Doe
Address 5618 So. Main St.,
Amount \$44.00
Letter No. 1 sent April 10, 1933
Letter No. 2 sent May 10, 1933

Retail Credit Men's National Association

Mr. John Doe
5618 So. Main St.,
St. Louis, Mo.

Your failure to respond favorably to our previous communications indicates that you are indifferent to your obligation to pay the above account.

You are hereby given our LAST and FINAL NOTICE that unless this account is paid or satisfactorily adjusted on or before the date above stated, our attorneys will take action to secure judgment with lawful interest, together with all costs and disbursements of the action.

Yours truly,

RETAIL CREDIT MEN'S NATIONAL ASSN.
J. P. Brown
Executive Secretary

P. S. Make all payments and address all communications to the member whose name is shown above.

Organized for the Protection of Retail Merchants

No. 1

Name Mr. John Doe
Address 5618 So. Main St.,
Amount \$44.00
Letter No. 1 sent April 10, 1933

Service Division

Retail Credit Men's National Association

Local Organization and
Members in all parts of U.S.A.

Representative
Saint Louis

Collection Department

April 30, 1933

Referring to account of:

Smith, Brown & Co.
1408 Blank Avenue
St. Louis, Mo.

Amount: \$44.00

You are indebted to the member of this Association whose name is shown above, for the amount indicated. This account is past due, in fact, overdue for some months.

You were extended a high compliment by our member when he indicated his faith in your integrity by accepting your account. For, credit is nothing but faith in the honesty of the buyer, based on the understanding that he will pay his bills when they're due.

Now, as is customary, this member has reported your account to this office, with the information that he has not been able to secure collection.

Before taking any action on this account, we want to give you an opportunity to keep your credit record clear by paying this bill within the next ten days. If it is not paid in that time we will have to proceed with collection, according to our member's instructions. Won't you kindly arrange to take care of this account immediately and since that you appreciate the courtesy extended you?

Sincerely,

RETAIL CREDIT MEN'S NATIONAL ASSN.

J. P. Brown
Executive Secretary

P. S. Make all payments and address all communications to the member whose name is shown above.

Organized for the Protection of Retail Merchants

Collection Department

May 20, 1933

Referring to account of:

Smith, Brown & Co.
1408 Blank Avenue
St. Louis, Mo.

Amount: \$44.00

Mr. John Doe
5618 So. Main St.,
St. Louis, Mo.

Your failure to respond favorably to our previous communications indicates that you are indifferent to your obligation to pay the above account.

You are hereby given our LAST and FINAL NOTICE that unless this account is paid or satisfactorily adjusted on or before the date above stated, our attorneys will take action to secure judgment with lawful interest, together with all costs and disbursements of the action.

Yours truly,

RETAIL CREDIT MEN'S NATIONAL ASSN.
J. P. Brown
Executive Secretary

P. S. Make all payments and address all communications to the member whose name is shown above.

Organized for the Protection of Retail Merchants

No. 2

Name Mr. John Doe
Address 5618 So. Main St.,
Amount \$44.00
Letter No. 1 sent April 10, 1933
Letter No. 2 sent May 10, 1933

COLLECTION RECORD
(Letter No. 2)

Service Division

Retail Credit Men's National Association

Collection Department

May 10, 1933

Referring to account of:

Smith, Brown & Co.
1408 Blank Avenue
St. Louis, Mo.

Amount: \$44.00

Your attention is again directed to the above account.

We have had merchandise, service, consideration and leniency from your member, and yet you have not responded to his request, nor to his collection of this account.

We are a National Association, organized for the protection of retail credit losses—protection backed by law and the power and prestige of our entire membership.

At the same time it is our desire to protect you, too, against the credit risk of a "non-pay" record.

We urge you to settle this account by which all merchants judge their credit.

No. 4

Name Mr. John Doe
Address 5618 So. Main St.,
Amount \$44.00
Forwarded for Collection to R. C. M. N. A. May 20, 1933

ACCOUNT FOR COLLECTION

Retail Credit Men's National Association,
St. Louis, Missouri.

Date May 20, 1933

The following claim is forwarded to you for collection. Three copies of itemized bills are attached.

NAME OF DEBTOR Mr. John Doe AMOUNT \$44.00
NAME OF MERCHANT OR WIFE Mrs. J. Doe
RESIDENCE ADDRESS 5618 So. Main St., St. Louis, Mo.
BUSINESS ADDRESS 1408 Blank Avenue
OCCUPATION Bookkeeper
EMPLOYED BY Richard Roe & Co.
REMARKS Man in wife's name—has bank account at 1408 National Bank

Respectfully,

Five Dollars Smith, Brown & Co.
By R. P. Brown, Treasurer
Direct Address 1408 Blank Avenue
City St. Louis, Mo.
State Mo.

Two days after sending out letter No. 3, if payment has not been received, this blank should be filled out and sent in to our National Office, 1408 National Bldg., St. Louis, Mo.

BE SURE TO ATTACH THREE COPIES OF YOUR ITEMIZED BILL TO THIS FORM.

The Collection Forwarding Blank (above) can be sent direct to the National Office or your local bureau, whichever you prefer.

On to Los Angeles!

Convention of
The Retail Credit Men's National Association
August 10, 11, 12, 13, 1926

SPECIAL TRAIN



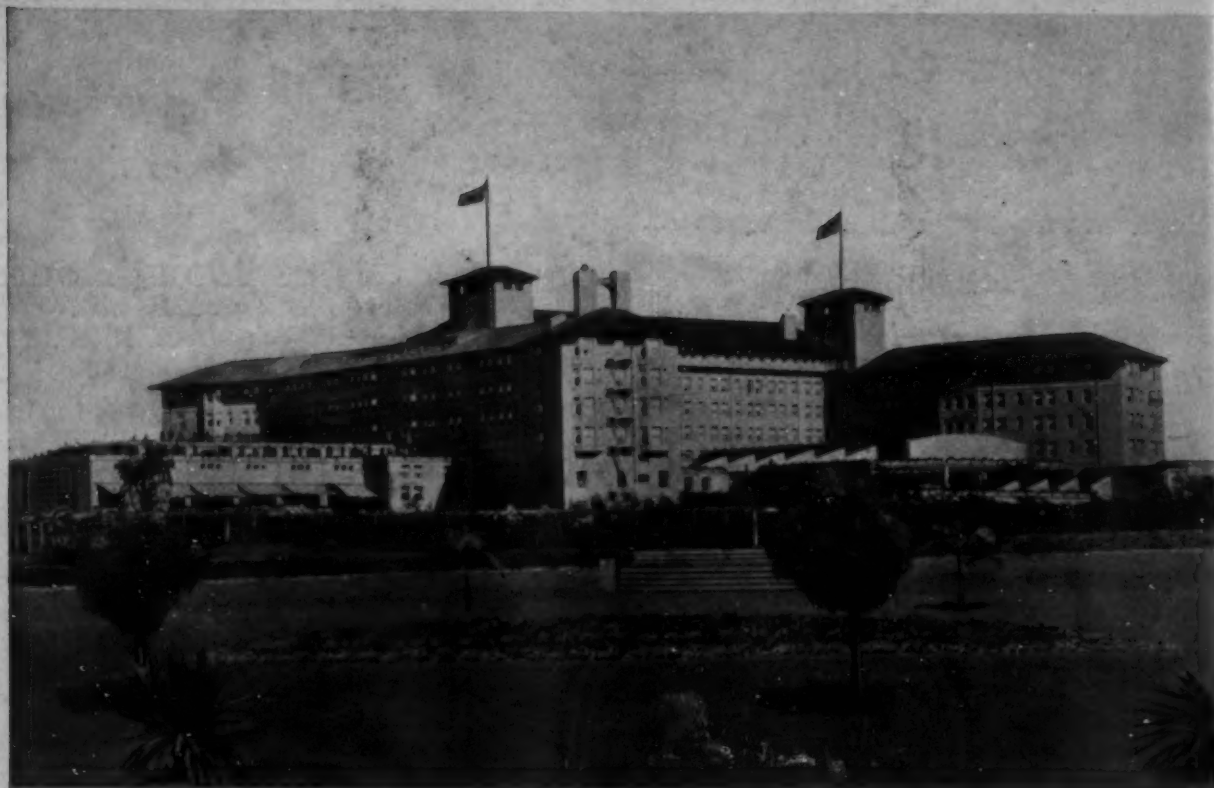
*This is the boat we take
from Los Angeles to San Francisco*

*Sponsored by the
Associated
Retail Credit Men
and Credit Bureau
of St. Louis*

*This train not limited to
Credit Men alone, but to
their families and friends*

FOR DETAILS SEE INSIDE PAGES





THE AMBASSADOR HOTEL, LOS ANGELES, CALIFORNIA

Convention Center for the Retail Credit Men's National Association, August 10-13, 1926

A Hotel Built for Conventions

Convention sessions in the Fiesta Ball Room; Dancing in Cocoanut Grove; Swimming in the Ambassador marble-tiled pool, canopied in roses and wisteria; Dining in banquet halls where beauties of the silver screen come to life.

Ample Hotel Accommodations --- *At Prices to Suit*

Biltmore

In the heart of Los Angeles business and theatrical district. Within 15 minutes of Convention Headquarters.

RATES

Single rooms, \$5, \$6, \$7, and \$8 per day.

Double rooms, \$7, \$8, \$9, and \$10 per day.

Rosslyn

"Elegance without extravagance." The rates are within the reach of all. It is within fifteen minutes of Convention Headquarters and just a few steps from the large department stores, theatres and restaurants.

RATES

Single rooms, \$3 to \$5 per day.

Double rooms, \$4 to \$6 per day.

With twin beds, \$4 to \$7 per day.

Hollywood Plaza

is just ten minutes from Convention Headquarters, and to those of you who want to see Hollywood at

close range, no better selection could be made than this hotel.

RATES

Single rooms, \$5 and \$6 per day.

Double rooms, \$8 and \$9 per day.

W. W. WEIR, Chairman Hotel Committee,
Retail Merchants Credit Assn.,
Los Angeles, Cal.

I will be at the convention.

Reserve Room for Person
..... Rooms for Persons
At \$ Per Day
At Hotel

Second Choice Hotel

Will arrive Los Angeles on

Day Date Hour
Name
Address
Firm

